

US SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
FORM 10-QSB

(Mark One)

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 or 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended 9-30-03

() TRANSITION REPORT PURSUANT TO SECTION 13 or 15 (d) OF THE EXCHANGE ACT

For the transition period from _____ to _____

Commission file number 2-97210-NY

CVD EQUIPMENT CORPORATION

(Exact name of small business issuer as specified in its charter)

NEW YORK

(State or other jurisdiction of incorporation or organization)

11-2621692

(IRS Employer Identification Number)

1860 SMITHTOWN AVENUE, RONKONKOMA, NY 11779

(Address of principal executive offices)

631-981-7081

(Issuers Telephone Number)

~~(Former name, former address, and former fiscal year, if changed since last report)~~

Check whether the issuer (1) filed all reports required to be filed by section 13 or 15 (d) of the Exchange Act during the past 12 months (or for such shorter periods that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Check whether the registrant filed all documents and reports required to be filed by Section 12, 13 or 15 (d) of the Exchange Act after the distribution of securities under a plan confirmed by a court. Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date:

3,039,100 SHARES OF COMMON STOCK, \$.01 PAR VALUE AS OF 11-12-03

**CVD EQUIPMENT CORPORATION
NOTE TO FINANCIAL STATEMENTS
FOR THE QUARTER ENDING
SEPTEMBER 30, 2003**

BASIS OF FINANCIAL STATEMENTS

The accompanying unaudited financial statements have been prepared in accordance with the instructions to Form 10-QSB and Item 310(b) of Regulation S-B and, therefore, do not include all information and footnotes necessary for a complete presentation of financial position, results of operations, cash flows, and stockholders' equity in conformity with generally accepted accounting principles. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature. Operating results for the nine months ended September 30, 2003 are not necessarily indicative of the results that can be expected for the year ending December 31, 2003.

MANAGEMENT'S DISCUSSION

INTRODUCTION

Statements contained in this Report on Form 10-QSB that are not historical facts are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, including without limitation, statements regarding industry trends, strategic business development, pursuit of new markets, competition, results from operations, and are subject to the safe harbor provisions created by that statute. A forward-looking statement may contain words such as “intends”, “plans”, “anticipates”, “believes”, “expect to”, or words of similar import. Management cautions that forward-looking statements are subject to risks and uncertainties that could cause the Company's actual results to differ materially from those projected. These risks and uncertainties include, but are not limited to, marketing success, product development, production, technological difficulties, manufacturing costs, and changes in economic conditions in the markets the Company serves. The Company undertakes no obligation to release revisions to forward-looking statements to reflect subsequent events, changed circumstances, or the occurrence of unanticipated events.

FORWARD LOOKING STATEMENTS

Certain statements in this Management's Discussion and Analysis of Financial Condition and Results of Operations constitute “forward looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressed or implied by such forward looking statements. These forward looking statements were based on various factors and were derived utilizing numerous important assumptions and other important factors that could cause actual results to differ materially from those in the forward looking statements. Important assumptions and other factors that could cause actual results to differ materially from those in the forward looking statements, include, but are not limited to: competition in the Company's existing and potential future product lines of business; the Company's ability to obtain financing on acceptable terms if and when needed; uncertainty as to the Company's future profitability, uncertainty as to the future profitability of acquired businesses or product lines, uncertainty as to any future expansion of the Company. Other factors and assumptions not identified above were also involved in the derivation of these forward looking statements, and the failure of such assumptions to be realized as well as other factors may also cause actual results to differ materially from those projected. The Company assumes no obligation to update these forward looking statements to reflect actual results, changes in assumptions or changes in other factors affecting such forward looking statements.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company considers certain accounting policies related to revenue recognition and bad debts to be critical policies due to the estimation processes involved in each.

Revenue recognition

The Company derives a significant portion of its revenue from fixed contracts which require continuing estimations of costs to complete each job. From time to time due to job conditions, job scheduling and productivity, the cost to complete estimates are revised upward or downward which correspondingly increases or decreases both estimated revenues and estimated gross profit, and earned revenues and gross profits. The Company uses the percentage of completion method to recognize revenue for certain projects. When an estimate indicates a significant loss (i.e. estimated costs exceed estimated revenues) the entire estimated loss is recognized in the Company's results of operations. Any changes in estimated amounts, including contract losses, could be material to the Company's results of operations in both current and future periods, as jobs progress to completion.

Bad Debts

The Company records an allowance for uncollectible amounts based on a review of the collectibility of its accounts receivable. Management determines the adequacy of this allowance by analyzing historical bad debts, continually evaluating individual customer's receivables and considering the customer's financial condition and current economic conditions. If the financial condition of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances could be required.

There have been no changes in policies and procedures since the audited financial statements for the year ended December 31, 2002.

CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures

Within 90 days prior to the filing of this yearly report on Form 10-QSB, the Company's President and Chief Financial Officer evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures and concluded that the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its officers, as appropriate to allow timely decisions regarding required disclosure, and are effective to ensure that such information is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

(b) Changes in Internal Controls

The Company's President and Chief Financial Officer have also concluded there were no significant changes in the Company's internal controls or in the factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weakness.

ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
THREE MONTHS ENDED SEPTEMBER 30, 2003

REVENUE

An decrease in volume resulted in third quarter of 2003 revenue being \$2,092,803, a 27% decrease from third quarter of 2002 revenue of \$2,865,581. The decrease in revenue is mainly attributed to a decrease in shipments in the Conceptronic division due to the system design improvements implemented during the third quarter of 2003.

COSTS AND EXPENSES

The cost of revenue decreased to \$1,374,686 in third quarter of 2003 as compared to \$1,857,195 in third quarter of 2002. Of this \$482,509 decrease, approximately \$294,000 is attributed to material, \$8,000 to freight in, \$97,000 to salaries and \$14,000 to travel expense. The decrease in material and freight in is mainly associated with the decrease in revenue. The decrease in salaries is mainly due to a decrease in staff.

Selling and shipping expenses decreased to \$163,339 in third quarter of 2003 from \$257,223 in third quarter of 2002. Of this \$93,884 decrease, approximately \$49,000 is attributed to commissions, \$21,000 to salaries, \$12,000 to royalties and \$9,000 to travel expense. The decrease in commissions and royalties is mainly associated with the decrease in revenue. The decrease in salaries is mainly due to a decrease in staff.

General and Administrative expenses decreased to \$620,529 in third quarter of 2003 from \$674,827 in third quarter of 2002. Of this \$54,298 decrease, approximately \$54,000 is attributed to salaries. The decrease in salaries is mainly due to a decrease in staff.

Interest expense increased to \$59,889 in third quarter of 2003 from \$29,303 in third quarter of 2002. The increase of \$30,586, is mainly attributed to an increase in the Company's average outstanding debt, as a result of the mortgage on the new building purchased in March 2002.

Other income decreased to \$14,655 in third quarter of 2003 from \$382,197 in third quarter of 2002. This decrease, is mainly attributed to collection of accounts receivable exceeding the \$369,000 booked as part of the purchase of the assets on June 17, 2002.

CONTINGENCIES

The Company did not renew its product liability insurance on August 11, 2003 due to a significant increase in premium and in light of our historic experience of not sustaining product liability claims of any consequence. The Company will reinstate product liability insurance when it is determined to be cost effective to do so.

ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
NINE MONTHS ENDED SEPTEMBER 30, 2003

REVENUE

An increase in volume resulted in nine months of 2003 revenue being \$7,744,394, a 21% increase from nine months of 2002 revenue of \$6,396,813. The increase in revenue is mainly attributed to shipments delayed from the fourth quarter of 2002 to the first quarter of 2003. This delay resulted from the reduction in productivity of the CVD and Conceptronic division due to their relocation to the new facility in the fourth quarter of 2002.

COSTS AND EXPENSES

The cost of revenue increased to \$5,899,250 in nine months of 2003 as compared to \$4,408,446 in nine months of 2002. Of this \$1,490,804 increase, approximately \$1,120,000 is attributed to material, \$233,000 to salaries, \$20,000 to utilities and \$56,000 to real estate taxes. The increase in material is mainly associated with the increase in revenue. The increase in salaries is mainly due to an increase in additional staff for the Conceptronic division, which was offset by a decrease in the CVD and SDC division. The increase in utilities and real estate taxes is mainly due to the new facility.

Selling and shipping expenses decreased to \$589,254 in nine months of 2003 from \$634,756 in nine months of 2002. Of this \$45,502 decrease, approximately \$33,000 is attributed to salaries. The decrease in salaries is mainly due to a decrease in staff for the SDC division, which was offset by an increase in additional staff for the Conceptronic division.

General and Administrative expenses increased to \$1,746,942 in nine months of 2003 from \$1,696,089 in nine months of 2002. Of this \$50,853 increase, approximately \$81,000 is attributed to salaries, \$8,000 to real estate taxes, which was offset by a decrease of \$46,000 to legal fees. The increase in salaries is mainly related to an increase in additional staff for the Conceptronic division, which was offset by a decrease in staff for the SDC and CVD division. The increase in real estate taxes is mainly due to the new facility.

Interest expense increased to \$183,651 in nine months of 2003 from \$77,224 in nine months of 2002. This increase of \$106,427, is mainly attributed to an increase in the Company's average outstanding debt, as a result of the mortgage on the new building purchased in March 2002.

Other income decreased to \$278,585 in nine months of 2003 from \$404,682 in nine months of 2002. Of this \$126,097 decrease, \$267,000 is attributed to collection of accounts receivable exceeding the \$369,000 booked as part of the purchase of the assets, which is offset by an increase of \$150,000 attributed to an insurance reimbursement for legal fees.

LIQUIDITY AND CAPITAL RESOURCES

By the end of the third quarter of 2003, the Company's cash position decreased to \$244,648 from \$323,537 at the beginning of the year. The decrease in cash is mainly attributed to the daily operating activities.

At the end of the third quarter of 2003, the Company's account receivable position increased to \$2,025,315 from \$ 1,852,794 at the beginning of the year. This increase was attributable to timing of customer payments and billings.

At the close of the third quarter of 2003, the Company's backlog decreased to approximately \$2,118,671. This represents the amount of orders not billed or taken as part of the percentage of completion. This backlog has decreased from approximately \$3,816,877 at the beginning of the year. This decrease is mainly attributed to a decrease in new orders and to shipments delayed from the fourth quarter of 2002 to the first quarter of 2003. This delay resulted from the reduction in productivity of the CVD and Conceptronic divisions due to their relocation to the new facility in the fourth quarter of 2002. The \$2,118,671 backlog is actively being worked on.

The Company has a line of credit facility with a bank which allows the Company to borrow up to \$750,000 until June 1, 2004. Interest is payable on any unpaid principal balance at the bank's prime rate plus $\frac{3}{4}$ of 1%. As of September 30, 2003, \$536,000 was outstanding on this facility. The Company has an additional \$250,000 credit line that is being utilized to secure a letter of credit. Borrowings are collateralized by the Company's assets.

The Company believes that its cash, cash equivalents and available credit facilities will be sufficient to meet its working capital and investment requirements for the next twelve months. However, future growth, including potential acquisitions, may require additional funding, and from time to time the Company may need to raise capital through additional equity or debt financing.

CVD EQUIPMENT CORPORATION AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS

	SEPTEMBER 30 2003 (UNAUDITED)	DECEMBER 31 2002 (AUDITED)
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 244,648	\$ 323,537
Accounts receivable, net	2,025,315	1,852,794
Cost in excess of billings on uncompleted contracts	1,192,634	783,646
Inventories	1,566,950	2,023,487
Other current assets	89,386	194,232
Total Current Assets	5,118,933	5,177,696
Property, Plant and Equipment, net	5,456,257	5,630,375
Deferred Income Taxes	280,166	344,074
Other Assets	158,362	138,974
Intangible Assets, net	126,330	136,393
Total Assets	<u>\$ 11,140,048</u>	<u>\$ 11,427,512</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 756,361	\$ 938,056
Accrued expenses	583,169	336,702
Billings in excess of costs on uncompleted contracts	133,321	146,387
Short-term notes payable	-	350,000
Short-term borrowings	536,000	-
Current maturities of long-term debt	185,608	177,124
Total Current Liabilities	2,194,459	1,948,269
Long-term Debt, net of current portion	3,373,496	3,513,783
Total Liabilities	<u>5,567,955</u>	<u>5,462,052</u>
Commitments and Contingencies		
Stockholders' Equity		
Common stock - \$0.01 par value -10,000,000 shares authorized; 3,039,100 shares issued & outstanding	30,391	30,391
Additional paid-in capital	2,902,149	2,902,149
Retained earnings	2,639,553	3,032,920
Total Stockholders' Equity	<u>5,572,093</u>	<u>5,965,460</u>
Total Liabilities and Stockholders' Equity	<u>\$ 11,140,048</u>	<u>\$ 11,427,512</u>

CVD EQUIPMENT CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF INCOME

		THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
		2003 (UNAUDITED)	2002 (UNAUDITED)	2003 (UNAUDITED)	2002 (UNAUDITED)
Revenue					
Revenue on completed contracts		\$ 1,818,249	\$ 2,411,683	\$ 5,789,773	\$ 5,522,346
Revenue on uncompleted contracts		274,554	453,898	1,954,621	874,467
Total Revenue		<u>2,092,803</u>	<u>2,865,581</u>	<u>7,744,394</u>	<u>6,396,813</u>
Costs of Revenue					
Cost on completed contracts		1,187,164	1,660,095	4,669,633	3,983,049
Cost on uncompleted contracts		187,522	197,100	1,229,617	425,397
Total Costs of Revenues		<u>1,374,686</u>	<u>1,857,195</u>	<u>5,899,250</u>	<u>4,408,446</u>
Gross Profit		<u>718,117</u>	<u>1,008,386</u>	<u>1,845,144</u>	<u>1,988,367</u>
Operating Expenses					
Selling and shipping		163,339	257,223	589,254	634,756
General and administrative		620,529	674,827	1,746,942	1,696,089
Total Operating Expenses		<u>783,868</u>	<u>932,050</u>	<u>2,336,196</u>	<u>2,330,845</u>
Operating Income(Loss)		<u>(65,751)</u>	<u>76,336</u>	<u>(491,052)</u>	<u>(342,478)</u>
Other Income (Expense)					
Interest income		661	3,103	895	22,647
Interest expense		(59,889)	(29,303)	(183,651)	(77,224)
Gain on sale of fixed assets		-	-	-	2,500
Other income		14,655	382,197	278,585	404,682
Total Other Income(Loss)		<u>(44,573)</u>	<u>355,997</u>	<u>95,829</u>	<u>352,605</u>
Income(Loss) Before Taxes		(110,324)	432,333	(395,223)	10,127
Income Tax Provision (Benefit)		1,853	(32,582)	1,853	(32,573)
Net Income(Loss)		<u>(108,471)</u>	<u>399,751</u>	<u>(393,370)</u>	<u>(22,446)</u>
Earnings Per Share					
Basic		\$ (0.04)	\$ 0.13	\$ (0.13)	\$ (0.01)
Diluted		\$ (0.04)	\$ 0.13	\$ (0.13)	\$ (0.01)
Weighted Average Shares					
Basic		3,039,100	3,037,991	3,039,100	3,035,676
Diluted		3,062,620	3,095,426	3,051,933	3,184,794

CVD EQUIPMENT CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
	2003 (UNAUDITED)	2002 (UNAUDITED)	2003 (UNAUDITED)	2002 (UNAUDITED)
CASH Flows from Operating Activities				
Net Income(Loss)	\$ (108,471)	\$ 399,751	\$ (393,370)	\$ (22,446)
Adjustments to reconcile net income to net cash provided by (used in) operating activities:				
Deferred Tax (benefit) provision	63,908	-	63,908	-
Depreciation and amortization	90,546	79,740	270,696	216,857
Gain on sale of fixed assets	-	-	-	(2,500)
Bad debt provision	7,924	(8,027)	9,282	(13,098)
<i>(Increase) decrease in:</i>				
Accounts receivable	(339,854)	608,608	(181,804)	236,758
Cost in excess of billings on uncompleted contracts	(49,226)	(369,482)	(408,988)	(87,311)
Inventory	(49,100)	(147,162)	456,538	(1,028,006)
Other current assets	122,770	(36,917)	104,846	(142,667)
Other assets	(901)	(13,388)	(49,700)	151,660
<i>Increase (decrease) in:</i>				
Accounts payable	(401,673)	(31,489)	(181,692)	510,929
Accrued expenses	387,444	(170,829)	246,468	(27,294)
Billing in excess of costs on uncompleted contracts	133,321	(2,904)	(13,066)	-
Net cash provided by (used in) operating activities	<u>(143,312)</u>	<u>307,901</u>	<u>(76,882)</u>	<u>(207,118)</u>
Cash Flows from Investing Activities				
Capital expenditures	(7,176)	(429,447)	(56,205)	(3,730,039)
Proceeds from sale of fixed assets	-	-	-	2,500
Net cash provided by (used in) investing activities	<u>(7,176)</u>	<u>(429,447)</u>	<u>(56,205)</u>	<u>(3,727,539)</u>
Cash Flows from Financing Activities				
Proceeds from the exercise of options	-	1,500	-	9,801
Proceeds of short-term borrowings	561,000	650,000	876,000	650,000
Payments of short-term borrowings	(375,000)	-	(690,000)	-
Proceeds of long-term debt	-	-	-	1,593,750
Payments of long-term debt	(44,620)	(33,527)	(131,802)	(82,743)
Net cash provided by (used in) financing activities	<u>141,380</u>	<u>617,973</u>	<u>54,198</u>	<u>2,170,808</u>
Net increase(decrease) in cash and cash equivalents	(9,108)	496,427	(78,889)	(1,763,849)
Cash and cash equivalents at the beginning of the quarter	<u>253,756</u>	<u>100,874</u>	<u>323,537</u>	<u>2,361,150</u>
Cash and cash equivalents at the end of the quarter	<u>\$ 244,648</u>	<u>\$ 597,301</u>	<u>\$ 244,648</u>	<u>\$ 597,301</u>

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, this 12th day of November 2003.

CVD EQUIPMENT CORPORATION

By: /s/ Leonard A. Rosenbaum

Leonard A. Rosenbaum

President, Chief Executive Officer and Director

Pursuant to the requirements of the Securities and Exchange Act of 1934, this report signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

/s/ Leonard A. Rosenbaum

Leonard A. Rosenbaum

President, Chief Executive Officer and Director

/s/ Sharon Canese

Sharon Canese

Chief Financial Officer and Secretary

**Certifications Pursuant to Rule 13A-14 or 15D-14 of the Securities exchange
act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Leonard A. Rosenbaum, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of CVD Equipment Corporation;
2. Based upon my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report.
3. Based upon my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report.
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - a. Designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b. Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c. Presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrants' board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weakness in internal controls; and
 - b. Any Fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls.
6. The registrant's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: November 12, 2003

/s/ Leonard A. Rosenbaum

President, Chief Executive Officer and Director

**Certifications Pursuant to Rule 13A-14 or 15D-14 of the Securities exchange
act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Sharon Canese, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of CVD Equipment Corporation;
2. Based upon my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report.
3. Based upon my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report.
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - a. Designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b. Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c. Presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrants' board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weakness in internal controls; and
 - b. Any Fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls.
6. The registrant's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: November 12, 2003

/s/ Sharon Canese

Chief Financial Officer and Secretary